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INFO RUEHBP/AMEMBASSY BAMAKO 0011  
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RUEHLC/AMEMBASSY LIBREVILLE 0034  
RUEHMU/AMEMBASSY MANAGUA 0150  
RUEHMB/AMEMBASSY MBABANE 0049  
RUEHME/AMEMBASSY MEXICO 0056  
RUEHOU/AMEMBASSY OUAGADOUGOU 0067  
RUEHZP/AMEMBASSY PANAMA 0105  
RUEHSA/AMEMBASSY PRETORIA 0116  
RUEHSJ/AMEMBASSY SAN JOSE 0135  
RUEHSN/AMEMBASSY SAN SALVADOR 0248  
RUEHUL/AMEMBASSY SEOUL 8653  
RUEHTG/AMEMBASSY TEGUCIGALPA 0137  
RUEHKO/AMEMBASSY TOKYO 8788  
RUEHWL/AMEMBASSY WELLINGTON 1784  
RUEHCN/AMCONSUL CHENGDU 1901  
RUEHGZ/AMCONSUL GUANGZHOU 0269  
RUEHHK/AMCONSUL HONG KONG 8059  
RUEHGH/AMCONSUL SHANGHAI 1097  
RUEHSH/AMCONSUL SHENYANG 5869  
RHHMUNA/USPACOM HONOLULU HI  
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C O N F I D E N T I A L SECTION 01 OF 03 TAIPEI 001142

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E.O. 12958: DECL: 05/21/2017

TAGS: [PREL](#) [TW](#)

SUBJECT: TAIWAN FM HUANG CONCERNED OVER CENTRAL AMERICA  
RELATIONS; STRESSES RISE OF LEFTISM

Classified By: AIT director Stephen M. Young. Reason(s):  
1.4 (B/D)

11. (C) Summary. On the eve of his departure for yet another damage-control trip to Central America, Foreign Minister James Huang told the Director on May 21 that Taiwan faces strong challenges from the PRC to its diplomatic position there, and requested U.S. assistance in countering that pressure. In response to FM Huang and to President Chen Shui-bian's similar request last week, the Director reiterated that U.S. policy is to remain neutral in the Taiwan-PRC diplomatic contest. Huang rejoined that there is a leftist tide in Central America that is not in U.S. interests and argued for behind-the-scenes assistance to Taiwan. If PRC pressure continues, Huang said, Taiwan may be forced to go further in the competition for diplomatic recognition. Huang did not elaborate what he meant here, and while it could imply new initiatives on Taiwan sovereignty, our most likely explanation involves Taiwan seeking to lure smaller PRC diplomatic partners back through financial incentives. End Summary.

Response to President Chen  
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12. (C) Foreign Minister James Huang (Chih-fang) requested a meeting with the AIT Director on May 21, just hours before his departure for a 7-10 day visit to Central America. The Director began by telling Huang that he first wanted to respond to President Chen Shui-bian's May 17 request for U.S. assistance to help Taiwan counter PRC pressure on Taiwan's diplomatic partner Costa Rica. He asked Huang to convey to

the President that Washington had concurred in his initial response to the President, that is that U.S. policy is to remain neutral in the Taiwan-PRC diplomatic struggle. FM Huang responded that he understood the U.S. position, but nonetheless asked the Director to convey to Washington Taiwan's concern that there is a "leftist tide" in Central America which would not be in the U.S. interest.

#### PRC Targeting Costa Rica

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13. (C) Costa Rica, FM Huang told the Director, has been under heavy pressure from the PRC and maybe its regional partner, Mexico, to shift diplomatic ties to Beijing. Costa Rica's negative vote on Taiwan's application to join WHO in Geneva last week, he said, indicated the drift in Costa Rica's thinking, despite its official explanation that the vote had just been an error. Costa Rican President Arias, he said, would like to enhance Costa Rica's role and influence in the international arena, as well as its participation in international organizations, such as the UN Security Council. Arias, he continued, "probably believes" Beijing is important for achieving that goal and is, thus, looking more favorably on relations with the PRC.

14. (C) Foreign Minister Stagno, moreover, is a young 35-36, Huang said, and does not understand the seventy-year friendship between Costa Rica and Taiwan, or the Republic of China. Stagno, who was born in France and educated in the U.S., has little attachment to Costa Rica. He served as Costa Rica's UN ambassador, where he had lots of opportunity to liaise with PRC diplomats. Huang surmised that Costa

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Rica's negative vote in Geneva reflected the views of Stagno rather than those of Arias. FM Stagno, he noted, had been scheduled to attend the regional meeting between Taiwan and its diplomatic partners in Belize later this week, but recently begged off explaining that he must visit Eastern Europe instead.

15. (C) In response to the Director's query about whether Taiwan could match Beijing's inducements to Costa Rica, Huang responded that if the issue were purely economic, "we could probably do something about it." In this instance, however, President Arias has larger political objectives in which Taiwan could not match.

#### Taiwan Sees Rising Leftist Tide in Central America

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16. (C) Taiwan sees a rising leftist tide in Central America which, Huang argued, would not be in the interest of the U.S. Nor, he continued, would it be in the U.S. interest for Taiwan to lose, one-by-one, its relations in Central America. Taiwan diplomatic losses, he argued, would mean an extension of PRC influence in Central America.

17. (C) The Director responded that the U.S. is watching regional trends very closely. While we have many problems with Chinese international policies, in general we do not see China pursuing a revolutionary, or even particularly leftist, international policy. On the contrary, our greatest concern with PRC diplomacy has been its tendency to turn a blind eye to potential partners' internal policies, especially in seeking access to new energy resources. The U.S. is, nevertheless, closely watching PRC actions in Central America.

#### Other Countries of Concern

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18. (C) Other than Costa Rica, Huang told the Director, Taiwan is most concerned about Nicaragua and Panama. Noting that it had been "almost a miracle" for Taiwan to have maintained relations with Nicaragua under Ortega, Huang felt

Taiwan has stabilized its relations with Nicaragua for the time being. The problem, he continued, is the recent emergence of a "third party" in the equation, an issue which Huang plans to discuss this week in Managua.

¶9. (C) Panama, Huang said, appears relatively stable now, with no plans to switch relations soon. Taiwan, however, must monitor the situation there very carefully. The situation in Guatemala is worrying, Huang told the Director, because the opposition appears to be in the lead. Any break in relations with any of Taiwan's seven diplomatic partners in Central America, Huang noted ruefully, could set off a domino effect that would undermine Taiwan's position in the region.

#### FM Huang's Central America Trip

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¶10. (C) FM Huang told the Director he will be in Central America for ten or more days, visiting Nicaragua, Belize and "maybe a third country." Departing Taipei the evening of May 21, he will transit Los Angeles and San Salvador, and arrive

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in Managua, Nicaragua. There, he will meet with Foreign Minister Santos, who will host a dinner for him. Huang will also hold a meeting of Taiwan envoys in Managua to review the state of Taiwan relations in the region. Huang will then continue on to Belize to participate in an annual meeting with Foreign Ministers of Taiwan's diplomatic partners in the region.

#### Other Regions Under Less PRC Pressure

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¶11. (C) FM Huang indicated less concern about Taiwan diplomatic relations in the other two areas in which its diplomatic partners are concentrated -- the South Pacific and Africa. In Africa, he said, while Taiwan's diplomatic partners has declined from thirteen in the late 1990's to just five, this has the positive effect of allowing Taiwan to concentrate its attention and resources on this fewer number of countries. Huang did not raise the issue of Taiwan's five diplomatic partners in the South Pacific, which we took to mean things down there have quieted down for the meantime.

#### Comment

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¶12. (C) Coming on the heels of President Chen's similar approach, Huang's entreaty is strong evidence of the growing PRC facility at competing in Taiwan's small coterie of diplomatic partners. This competition is not new, but may be nearing a critical point where Taiwan's leaders can no longer base their assertion of sovereign independence on the diplomatic list. Whether Taiwan's next president will initiate a major review of this policy remains to be seen. But the Chen administration, now in its final year, is unlikely to veer from the current approach of fighting tooth, nail and checkbook over every "ally."

YOUNG